



City of
Peterborough

To: Members of the Finance Committee

From: Richard Freymond
Commissioner of Corporate and Legislative Services

Meeting Date: January 13, 2020

Subject: Report CLSFS20-008
Peterborough Police Services 2020 Budget

Purpose

A report to inform Council that the 2020 Budget submission from the Police Services Board (PSB) will be reviewed on Tuesday, January 14, 2020.

Recommendation

That Council approve the recommendation outlined in Report CLSFS20-008, dated January 13, 2020, of the Commissioner of Corporate and Legislative Services as follows:

That the budget details included in this report regarding the Peterborough Police Services Board for the 2020 Budget be received for information.

Budget and Financial Implications

There are no additional budget and financial implications of the recommendation.

Background

The Finance Committee is scheduled to review the 2020 Draft Budget during the week of January 13, 2020. Tuesday, January 14, 2020 has been set aside to review budget requests from outside Boards and Agencies. The Finance Committee will resume its review of City departments on Wednesday, January 15, 2020.

Included on pages 192-196 of the 2020 Draft Budget Highlights Book is a high-level summary of information presented by the PSB.

The 2020 Guideline Report CLSFS19-030 dated June 10, 2019 included recommendation (d) which read as follows:

That the increase in the Police Services portion of the draft 2020 Operating Budget reflect no more than the Operating portion of Net Tax Levy increase (estimated to be 2.78%), and any increase in the net Police Services budget beyond the estimated Operating Portion of the Net Tax Levy increase be addressed by Council as part of the detailed 2020 Budget deliberations to occur in January of 2020.

The PSB request of 2.78% or \$715,501 is within the Guideline. The full request from the PSB has been incorporated into the 2020 Draft Budget being presented to Council.

The Draft Capital Budget includes two projects for Police Services. They are:

- Page 554 Ref #8-1.01 includes a provision of \$1,066,500 for tangible capital assets such as police cruisers, computer hardware, software and equipment.
- Page 558 Ref #8-1.02 includes a provision of \$27,500 for Police Service Strategic Agenda.

The budget details are appended to this report and if requested, further information will be provided by representatives from the PSB on January 14, 2020.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

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Attachment:

Appendix A: 2020 Police Services Board Approved Budget

Draft Operating and Capital Budgets 2020



To: Chair and Members of the Peterborough Police Services Board
From: Scott Gilbert, Chief of Police
Meeting: September 4, 2019
Subject: 2020 Draft Peterborough Police Operating and Capital Budget Requests

Purpose

To inform the Board of Peterborough Police's 2020 Operating and Capital Budget requests and to obtain approval for these funding requests.

Recommendation(s)

That the Board approve the recommendation(s) outlined in this Report, as follows:

- a) That Peterborough Police Service's 2020 Operating Budget request of \$26,392,208 (2.79% or \$715,498 over 2019 Budget of \$25,676,710).
- b) That Peterborough Police Service's 2020 Capital Budget request of \$1,066,543.
- c) That the operating and capital budget requests above be approved and forwarded to the City Council for consideration during their 2020 Budget deliberations.

Strength Impact

Not applicable.

Summary

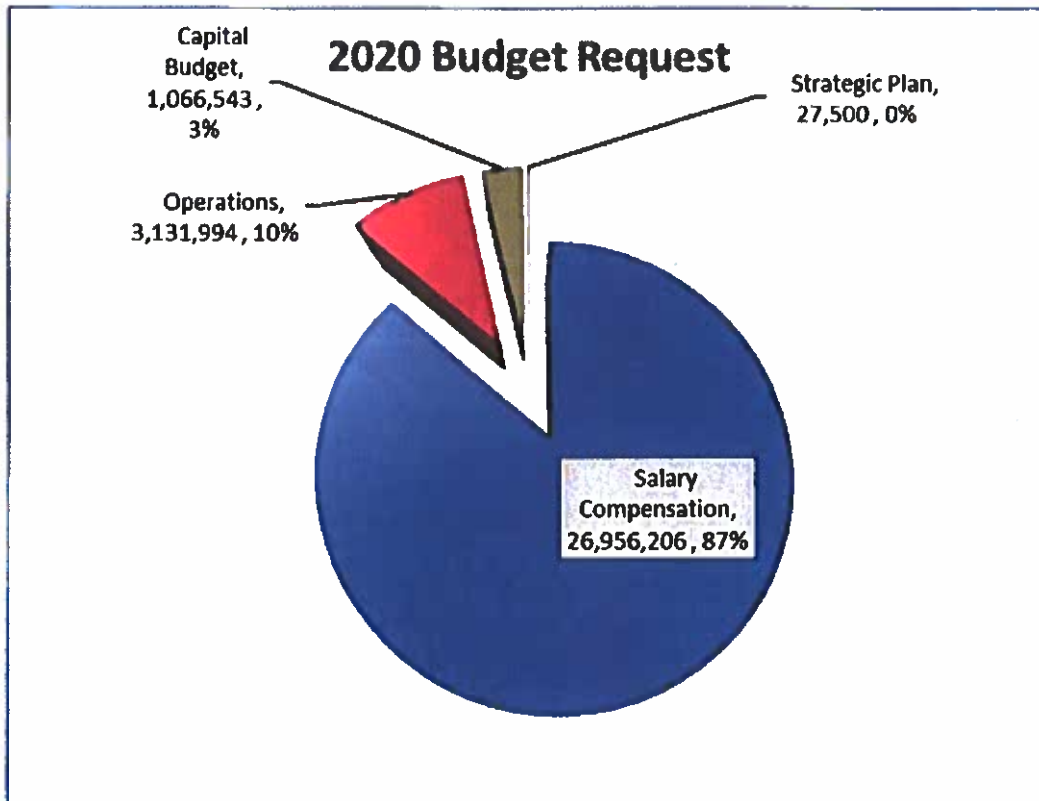
Peterborough Police Service is projecting a reduction in revenue of \$29,061 (0.8%) for 2020.

Draft Operating and Capital Budgets 2020

Other changes in net expenses expected in 2020 include the following:

Operations increase \$15,933 (0.5% over 2019 Budget).

Total compensation increases \$670,507 (2.6% over 2019 Budget).



Prepared by: Tia Nguyen, Finance Manager.

Reviewed by: Scott Gilbert, Chief of Police.

Submitted by: Scott Gilbert, Chief of Police.



To: Chair and Members of the Peterborough Police Services Board
From: Scott Gilbert, Chief of Police
Meeting: September 4, 2019
Subject: 2020 Draft Peterborough Police Operating and Capital Budget Highlights

| Description | 2015 | 2016 | 2017 | 2018 | 2019 Approved | 2020 Recommended | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------|
| Expenditures | | | | | | | |
| Personnel | 23,310,499 | 24,266,063 | 24,940,069 | 25,633,226 | 26,285,704 | 26,956,210 | Note 1 |
| Contractual | 889,206 | 1,143,678 | 1,177,576 | 1,215,982 | 1,305,997 | 1,308,630 | Note 2 |
| Materials, Supplies | 414,872 | 417,222 | 475,200 | 527,600 | 543,850 | 522,040 | Note 3 |
| Repairs, Maintenance | 67,650 | 63,900 | 69,900 | 67,900 | 80,100 | 70,000 | Note 4 |
| Fees | 230,076 | 289,576 | 303,576 | 289,576 | 299,463 | 309,177 | Note 5 |
| Transfer to Own Funds | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | Note 6 |
| Inter-departmental Charges | 372,206 | 407,903 | 420,427 | 414,327 | 415,496 | 410,922 | Note 7 |
| Operating Equipment | 83,956 | 88,456 | 129,006 | 126,506 | 138,050 | 138,025 | Note 8 |
| Rentals | 1,500 | 1,500 | 1,500 | 1,200 | 1,500 | 1,300 | Note 9 |
| Travelling, Training | 212,165 | 245,880 | 262,720 | 277,720 | 275,605 | 301,150 | Note 10 |
| Contributions to Reserves | 21,935 | 47,234 | 47,234 | 34,734 | 36,000 | 50,750 | Note 11 |
| Operating Expenditures | 25,624,065 | 26,991,412 | 27,847,209 | 28,608,771 | 29,401,764 | 30,088,204 | |
| % Change | | 5.3% | 3.2% | 2.7% | 2.8% | 2.33% | |
| Revenues | | | | | | | |
| Ontario grants | 1,219,823 | 1,224,332 | 1,406,115 | 1,554,634 | 1,554,634 | 1,453,074 | Note 12 |
| Other Municipal grants & fees | 921,484 | 1,740,338 | 1,772,662 | 1,802,858 | 1,874,710 | 1,897,647 | Note 13 |
| Fees, Service Charges | 196,500 | 196,500 | 221,500 | 273,500 | 295,708 | 345,270 | Note 14 |
| Contribution from Reserve | 77,350 | | 14,000 | | | | |
| Total Revenues | 2,415,157 | 3,161,170 | 3,414,277 | 3,630,992 | 3,725,052 | 3,695,991 | |
| % Change | | 30.9% | 8.0% | 6.3% | 2.6% | -0.8% | |
| % Change - excl. Reserve Contribution | | 35.2% | 7.6% | 6.8% | 2.6% | -0.8% | |
| NET REQUIREMENT | 23,208,908 | 23,830,242 | 24,432,932 | 24,977,779 | 25,676,712 | 26,392,213 | |
| % Change | | 2.68% | 2.53% | 2.23% | 2.80% | 2.79% | |

Budget Highlights:

Total operating expenditures increased by \$686,440 or 2.3%, the lowest year-over-year increase since 2015.

We have made every effort to achieve recommended budget increase of 2.78% per 2020 Budget Guidelines. Our conservative budget does not take into consideration inflation for materials, supplies and contracted services.

Revenues are down by \$29,061 or 0.8% due mostly to allocated funding changes detailed in note 12.

Overall operating budget increased by \$715,501, or 2.79%.

Expenditures

1. Personnel budget request of \$26,956,210

A conservative estimate with information provided by HR. True-up provision for members receiving Workers Safety and Insurance Board benefits has been made based on year-to-date actual. The 2020 budget includes a full-time Risk/Policy Management position and 2 part-time special constables starting January 1, 2020.

2. Contractual provision of \$1,308,630, \$2,633 or 0.2% increase

Conservative estimates based on historical information or provided by PTS with no new items. Information technology services account for \$578,643 or 44.2% of total expenditures.

3. Materials, Supplies expenditures estimated at \$522,040, \$21,810 or 4% less than previous year

Conservative estimate based on historical information.

4. Repairs and Maintenance provision of \$70,000, \$10,100 or 12.6% lower than prior year

Conservative estimate based on historical information with no new items.

5. Fees expenditures estimated at \$309,177, \$9,714 or 3.2% increase

Fleet insurance allocated by the city is \$125,677 and PPSB's legal fees of \$180,000 account for 99% of total expenditures. No change to legal fee provision but fleet insurance increased by \$12,714 or 11.3%.

6. Transfer to Own Funds of \$20,000

Consistent with prior years - Transfer to Legal Fee Reserve.

7. Inter-departmental Charges of \$410,922, \$4,574 or 1.1% reduction

Inter-departmental Charges consist of city's allocation of Public Works for fleet maintenance (\$169,899) and fuel (\$241,023).

8. Operating Equipment provided at \$138,025, \$25 lower than previous year

Increased provision for Peer Support (\$5,000) was offset by cost reductions in other activities.

9. Rentals provision of \$1,300, \$200 or 13.3% lower than previous year

Conservative estimate of vehicle rentals based on historical information.

10. Travelling and Training expenditures provided at \$301,150, \$25,545 or 9.3% increase over 2019

As of January 2019, it is the responsibility of the police service to cover the cost of the offsite accommodation per Ontario Police College's memorandum dated January 3, 2019. The reduction in course fee helps to lessen the impact of the costs of hotel accommodations and travelling expenses. For a three-week course, the additional cost that we now have to absorb is over \$1,000 (\$947 net of fee reduction plus transportation expenses).

In addition to OPC's changes, increasing mandatory and specialized trainings are anticipated for 2020.

11. Contributions to Reserves provision of \$50,750, \$14,750 or 41% increase from prior year

Health Care Spending Account provision increased to \$27,000 from \$11,000 to fulfill 2020 estimated liability (11 qualified members).

Increased provision (\$1,250) for new strategic plan is offset by reduced provision (\$2,500) for Reserve Contracted Services.

Revenues

- 12. Ontario Grants** consist of Community Safety and Policing grant (CSP) and Court Security Prisoner Transportation (CSPT) upload are estimated at \$1,453,074 or 6.5% decrease from funding received in previous year

Higher allocation of funding (\$27,190) received from the CSPT program helps to offset in part the re-purposing of existing grants. On April 18, 2019, the Ministry of the Solicitor General announced that effective 2019-2020, the new Community Safety and Policing (CSP) grant will replace the existing Community Policing Partnerships (CPP) and Safer Communities - 1,000 Officer (1,000 Officers).

The new CSP grant has new funding allocation - Local and Provincial Funding Streams.

For local priorities, an allocation was provided to each police service representing 75% of existing grant funding with the exception of Toronto who received 100% of existing funding. Each service must submit an application to receive the new repurposed allocation. For provincial priorities, there is a competitive application process and the funding is capped at \$3.9 million. In addition, there will be \$5.1 million of funding available through CISO from the Gun and Gang Specialized Investigation Fund (GGSIF) for joint forces operations targeting guns, gangs and organized crime.

Both the local and provincial funding streams are under review by the CSP Grant Review Committee. The review/approvals process may take a month or so. It's likely that the process to be complete by mid September.

13. Other Municipal grants & fees:

For 2020, the net Police Service budget includes \$607,033 from Selwyn Township for police services on a contract basis to the Lakefield Ward within the Township of Selwyn.

The budget also includes \$1,270,614 (net of overtime liability), for contracted services to the Township of Cavan Monaghan.

In addition to the above, Cobourg Police Service (CPS) agreed to provide Peterborough Police Service (PPS) an annual amount of \$20,000 pro-rated on a monthly basis of \$1,666.66. CPS requested to have their Forensic Identification Officer utilize work space within the Forensic Identification Unit and take advantage of job shadow opportunities and potential shared investigative work as agreed upon by both CPS and PPS.

- 14. Fees and Service Charges** are estimated at \$345,270, \$49,562 or 16.8% higher than previous year's budget

Service Fees consist of Record Checks (\$229,000), Taxi fees (\$29,000), Alarm fees (\$9,500), MVC reports (\$8,000), Towing revenue (\$17,000), Confirmation letters (\$770), FOI fees (\$2,000), and Paid Duty admin fee recovery (\$50,000).

Capital Budget

Capital Budget represents 3% of the Peterborough Police Service's total budget.

| Capital Cost Drivers | 2019 | 2020 |
|--------------------------------------|------------------|--------------------|
| Fleet Renewal | 432,684 | 397,568 |
| Digital Technology Security - Note 1 | 253,243 | 400,775 |
| Other Equipment - Note 2 | 155,710 | 268,200 |
| Total Capital Request | \$841,637 | \$1,066,543 |

Note 1 - Digital Technology Security

Business Plan 2016- 2019

B) Maintain Pace with Evolving Technology

- i) Continuing investment in emerging police service technology;*
- ii) Positive response to provincially-mandated new technology; and,*
- iii) Acknowledgement that centralized systems and security requirements becoming more of the norm - e.g. analytics.*

Our capital budget for 2020 includes an estimate for a new IP Phone system in addition to normal investment in communication equipment, security initiatives and computer hardware/software.

Note 2 - Other Equipment

2020 budget requests include a new negotiator's kit (\$40,000) to replace the 10-year old equipment and a fingerprint development chamber (\$27,000) to enhance investigative services.

Prepared by: Tia Nguyen, Finance Manager.

Reviewed by: Scott Gilbert, Chief of Police.

Submitted by: Scott Gilbert, Chief of Police.